

## **II. Evidence Rebutting Alleged *Prima Facie* Case of Obviousness**

In response to the rejections under 35 USC § 103 in paragraphs 3-8 of the Official Action, Applicant requests that the examiner give full consideration to the Declaration of Daris McCullough under 37 CFR § 1.132 establishing the considerable commercial success of the present invention. Mr. McCullough's Declaration documents the progressively increasing sales of Applicant and further states that, "[v]irtually all of Applicant's auction management system since inception of the company is claimed in the subject application, and Applicant's auction management system as described and claimed in the subject patent application is the only feature distinguishing it from other auction management system. I therefore believe that the high level of commercial success experienced by Marketworks is entirely attributable to features claimed in the subject patent application." Applicant has, therefore, established both a high degree of commercial success and a nexus between this success and the claimed invention. This evidence rebuts the *prima facie* case of obviousness allegedly established by the Official Action and must be given full consideration. To quote the MPEP, "[a]ny evidence of evidence of nonobviousness or rebuttal evidence submitted by applicant, including affidavits or declarations under 35 CFR 1.132, must be considered by examiners in determining patentability under 35 U.S.C. 103(a)." MPEP §§ 716.03; 1504.03. See also, Graham v. John Deere, 383 US 1 (1968); Litton System, Inc. v. Whirlpool Corp., 728 F.2d 1423 (Fed. Cir. 1984).

## **III. Traversal of Alleged *Prima Facie* Case of Obviousness**

To further quote the MPEP, "[t]o establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the

reasonable expectation of success must both be found in the prior art, not in applicant's disclosure." MPEP § 2143.03. See also, In re Vaack, 947 F.2d 488 (Fed. Cir. 1991).

Paragraph 7 of the Official Action rejects claims 67-69, 71-75, 79-82 and 85 under 35 U.S.C. § 103 as allegedly unpatentable over Rackson et al., U.S. Patent No. 6,415,270 ("Rackson") in view of Conklin et al., U.S. Patent No. 6,141,653 ("Conklin"). Paragraph 8 states that claims 70, 76, 78, 83 and 84 are allegedly unpatentable over Rackson and Conklin in further view of Robinson et al., U.S. Patent No. 5,915,022 ("Robinson").

### **Claims 67-72**

The Official Action fails to establish a *prima facie* case of obviousness for claims 67-72 because the prior art references, individually or when combined, do not teach or suggest all the claim limitations. Claim 67, as amended, reads as follows:

67. A computer-readable medium storing computer-executable instructions for causing a computer-controlled apparatus to implement an auction management system, comprising:

***a menu-driven utility configured to assemble auction submissions from predefined advertisement templates, product images, textual descriptions, and user-specified auction parameters entered into the advertisement templates, and to store the auction submissions in an electronic auction submission library;***

***an electronic auction monitoring report configured to display a plurality of auction management records within a common view, wherein each auction management record displays information pertaining to a respective auction submission and comprises tracking fields identifying post-sale activities to be performed in connection with the sale, wherein the view of each tracking field is alterable to indicate a completion status of its associated post-sale activity; and***

***an auction consolidation engine configured to post the auction submissions to one or more electronic auctions in accordance with the user-specified auction parameters, automatically revisit the auction sites, extract updated auction information pertaining to the auction submissions, update the auction monitoring report with the updated auction information, determine that a successful auction submission has resulted in a sale to a buyer, and update the auction management record for the successful auction submission with closed auction data associated with the sale.***

Neither Rackson nor Conklin describe or suggest the first element of claim 67, which is directed to a menu-driven utility for creating and storing auction submissions. Rackson describes a multi-auction service that is primarily concerned with the determination of an optimal bid price for an item that the user intends to purchase or sell at auction. See Rackson at col. 8, lines 6-17. The only description in Rackson that could be construed as relevant to a system for creating auction submissions states:

The seller or the multi-auction service may specify the selling parameters of the offer to include, but are not limited to, some or all of the following: starting date and time; closing date and time; reserve price; a successful bid range; quantity of items; item description which may comprise in addition to text, graphic representation such as image file, photograph; audio file; video clip or other content that provides a representation of the item. These parameters may be defined by the seller with assistance by the multi-auction service or may be generated exclusively by the multi-auction service.

Rackson at col. 9, lines 24-35 (see also col. 3, lines 16-33). This passage merely states that the user may specify the listed types of selling parameters in an auction submission. There is no description or suggestion in Rackson of a menu-driven utility for creating and storing auction submissions that includes "predefined advertisement templates, product images, textual descriptions, and user-specified auction parameters entered into the advertisement templates" and the storage of the auction submissions in an "electronic auction submission library" as recited in Claim 67. Conklin does not describe an auction management system and, therefore, has no description that could be considered relevant to a process or system for creating auction submissions. Accordingly, neither reference discloses or suggests the first element of Claims 67, the menu-driven utility for creating and storing auction submissions that includes "predefined advertisement templates, product images, textual descriptions, and user-specified auction parameters entered into the advertisement templates" and the storage of the auction submissions in an "electronic auction submission library."

Similarly, neither Rackson nor Conklin describe or suggest the second element of Claim 67, which is directed to a electronic auction monitoring report that displays a plurality of auction management records within a common view and includes tracking fields that are alterable to indicate a completion status of post-sale activities. The only

auction monitoring report disclosed in Rackson is shown in figure 14 and described at col. 25, line 55 – col. 26, line 29. The display panel 500 in figure 14 shows auction monitoring information for an item (element 502) offered for sale at multiple auctions. The purpose of the panel 500 is to display the status of the multiple auctions, highlight the user's bid, and show the rules (element 510) used to compute a time and value for suggested next bid (element 560). Thus, the panel 500 shown in figure 14 of Rackson does not show "a plurality of auction management records within a common view, wherein each auction management record displays information pertaining to a respective auction submission" as recited in claim 67, but instead shows information pertaining to a single item offered for sale at multiple auctions.

In addition, Rackson fails to disclose or suggest any type of alterable tracking fields for identifying the status of post-sale activities. Paragraph 7 of the Official Action asserts that Conklin teaches the tracking fields at figures 8, 12 and 15a and contains an additional reference to figures 1i, 7, 8, 12 and 13 and col. 24, lines 18-41. This contention is plainly false, however, because Conklin does not disclose or suggest the elements for which it has been cited. It should be noted that the detailed description in Conklin only describes the figures 1a through figure 5b, and therefore contains no detailed description of the cited figures 7, 8, 12, 13 or 15a, which, in any event, do not address an auction creation or management system. Rather, figures 1i and 7 are flow charts concerning the closing of a negotiation, figure 8 is a flow chart regarding the shipping of ordered products, figure 12 shows a list of orders, figure 13 appears to be a form showing the status of an order, and figure 15 shows a payment approval form. Conklin at page 24, lines 18-41 merely describes figure 1i, which concerns the closing of a negotiation as memorialized in a shared document. Conklin therefore fails to disclose or suggest any type of consolidated auction monitoring report, and certainly does not disclose or suggest the use of tracking fields for monitoring the status of post-sale activities associated with close auctions. Accordingly, neither Rackson nor Conklin discloses or suggests the second element of claim 67, an auction monitoring report that displays a plurality of auction management records within a common view and includes tracking fields that are alterable to indicate a completion status of its post-sale activities.

Claims 68-71 are directed to additional elements of the auction monitoring report and associated activities including the receipt of user input altering the view a tracking

item to indicate completion of a post-sale activity (claim 68), automatically performing a post-sale operation in accordance with settings data and altering an associated tracking item to indicate completion of a post-sale activity (claim 69), automatically sending a purchase notification message as a type of post-sale operation (claim 70), and automatically sending an auction feedback message as a type of post-sale operation (claim 70). Because neither Rackson nor Conklin address the use of tracking fields in an auction monitoring report, these references, individually or in combination, fail to disclose or suggest these additional features of the claimed invention.

Claim 72 recites additional detail regarding the menu-driven utility for creating and storing auctions submissions, including the creation and maintenance of electronic libraries containing reusable elements for creating auction submissions using the menu-driven utility. The reusable elements for creating auction submissions stored in the electronic libraries include inventory records, images of items, textual descriptions, and advertising templates. Claim 72 further recites associated functionality for combining selected images, selected textual descriptions, and sets of auction parameters in a format defined by the selected advertisement template to create the auction submissions. Because neither Rackson nor Conklin address the use of a menu-driven utility for creating and storing auction submissions, these references, individually or in combination, fail to disclose or suggest these additional features of the claimed invention. Accordingly, the combination Rackson and Conklin does not create a *prima facie* case of obviousness for claim 72 because none of these references disclose or suggest a menu-driven utility for creating and storing auction submissions.

Robinson is cited in the rejection of claim 70 as showing a system that sends a bill or post-sale receipt to a purchaser. However, Robinson is directed to the use of encrypted digital receipts, and fails to disclose or suggest any type of auction management system. There is no teaching in Robinson of a menu-driven utility for creating and storing auction submissions or an auction monitoring report that displays a plurality of auction management records within a common view and includes tracking fields for indicating the status of post-sale activities. Accordingly, the combination Rackson and Conklin in further view of Robinson does not create a *prima facie* case of obviousness for any of claims 67-73 because none of these references disclose or suggest a menu-driven utility for creating and storing auction submissions or an auction

monitoring report that displays a plurality of auction management records within a common view and includes tracking fields for indicating the status of post-sale activities.

### **Claim 73-81**

The Official Action fails to establish a *prima facie* case of obviousness for claims 73-81 because the prior art reference, individually or when combined, do not teach or suggest all the claim limitations. Claim 73, as amended, reads as follows:

73. A computer-readable medium storing computer-executable instructions for causing a computer-controlled apparatus to perform the steps of:

creating a plurality of auction submissions for offering items for sale at auction;

posting the auction submissions to one or more auction sites;

***displaying an auction monitoring report comprising a plurality of auction management records displayed within a common view, wherein each auction management record displays information pertaining to a respective auction submission;***

revisiting the auction sites to extract updated auction information pertaining to the auction submissions;

updating the auction monitoring report with the updated auction information;

determining that a successful auction submission has resulted in a sale to a buyer;

updating the auction management record for the successful auction submission with closed auction data associated with the sale;

***displaying tracking fields in association with the auction management record for the successful auction submission identifying post-sale activities to be performed in connection with the sale; and***

***altering the view of the tracking fields to indicate completion of the associated post-sale activities.***

As discussed previously, neither Rackson nor Conklin, individually or in combination, disclose or suggest the elements of Claim 73 highlighted above, which are directed to an auction monitoring report that displays a plurality of auction management records displayed within a common view and includes alterable tracking fields for indicating the status of post-sale activities. Claim 74-81 are directed to additional elements of the auction monitoring report and associated activities including the receipt of user input altering the view a tracking item to indicate completion of a post-sale

activity (claim 74), automatically performing a post-sale operation in accordance with settings data and altering an associated racking item to indicate completion of a post-sale activity (claim 75), automatically sending a purchase notification message as a type of post-sale operation (claim 76), automatically sending an auction feedback message as a type of post-sale operation (claim 77), automatically creating and storing a billing record associated with a closed auction (claim 78), revisiting the auction sites to extract updated auction information in response to a user request for access to the auction monitoring report (claim 79), displaying each auction management record as a row displaying the information pertaining to its respective auction submission and the tracking fields are displayed as icons (claim 80), and including tracking fields in the auction monitoring report for purchaser notification, payment received, auction item shipped, and payment received (claim 81). Because neither Rackson nor Conklin address the use of tracking fields in an auction monitoring report, these references, individually or in combination, fail to disclose or suggest these additional features of the claimed invention.

Again, Robinson is cited in the rejection of claim 78 as showing a system that sends a bill or post-sale receipt to a purchaser. However, as noted above, there is no teaching in Robinson of an auction monitoring report that displays a plurality of auction management records displayed within a common view and includes alterable tracking fields for indicating the status of post-sale activities. Accordingly, the combination Rackson and Conklin in further view of Robinson does not create a *prima facie* case of obviousness for any of claims 73-81 because none of the cited references disclose or suggest an auction monitoring report that displays a plurality of auction management records displayed within a common view and includes alterable tracking fields for indicating the status of post-sale activities.

#### Claims 82-85

The Official Action likewise fails to establish a *prima facie* case of obviousness for claims 82-85 because the prior art references, individually or when combined, do not teach or suggest all the claim limitations. Like claim 67, claim 82 recites a menu-driven utility for creating and storing auction submissions, except that claim 82 includes additional detailed elements similar to those recited in claim 72. Therefore, claim 82 is

patentable for the same reasons explained above with respect to claims 67 and 72. The subject matter of the dependent claims 83-85 has also been addressed previously and need not be repeated here, except to state that the combination Rackson and Conklin in further view of Robinson does not create a *prima facie* case of obviousness for any of claims 82-85 for the reasons previously stated.

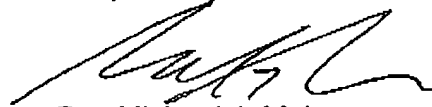
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### CONCLUSION

It is believed that the preceding amendment and remarks are responsive to the Office Action mailed May 24, 2006, and that the claims are in condition for allowance. If the Examiner believes that there are any issues that can be resolved by a telephone conference, or that there are any informalities that can be corrected by an Examiner's amendment, please call Mike Mehrman at (404) 497-7400.

Respectfully submitted,



By: Michael J. Mehrman  
Reg. No. 40,086

Mehrman Law Office, P.C.  
5605 Glenridge Drive, Suite 795  
Atlanta, GA 30342  
404 497 7400 telephone;  
404 497 7405 facsimile  
mike@mehrmanlaw.com